

PORT AUTHORITY OF ALLEGHENY COUNTY
MINUTES OF THE REGULAR BOARD MEETING
FRIDAY JUNE 25, 2021

The Regular Meeting of the Board of Port Authority of Allegheny County was held on Friday, June 25, 2021, at 9:30 a.m., at the Authority's Administration Offices, 345 Sixth Avenue, Pittsburgh, Pennsylvania, 15222-2527, pursuant to due public notice given as required by law.

The following members were in attendance: Jeff Letwin, Chair and Michelle Zmijanac. The following members participated virtually: Senator Jim Brewster, Representative Austin Davis, Jennifer M. Liptak, Ann M. Ogoreuc, John L. Tague Jr., Stephanie Turman, Jessica Walls-Lavelle, Gerald Delon. Acting General Counsel, Sandy Garfinkel participated virtually.

The Chair called the June 25, 2021 Regular Meeting to order.

A recommendation was made for approval of the minutes of the May 28, 2021 Regular Meeting. A motion was made, seconded, and unanimously passed.

Mr. Letwin announced that public comment portion of the meeting will be held at this time as speakers have indicated that they will speak on matters the Board will be voting on later in the meeting.

There were two speakers addressing the Board. The first speaker was Mr. Jim Keener. Mr. Keener supported that Port Authority Board meetings remain accessible to the public in TEAMS. This will show transparency and allow the public to participate in the meeting without the burden of attending the meetings in person.

The next speaker, Mr. Rahul Amruthapuri, first agreed with Mr. Keener's remarks on transparency. Mr. Amruthapuri urged the Board to reconsider a fare relief program for low-income riders which would help stabilize and immediately boost ridership.

The full comments of the speakers were recorded and appear in the audio transcription of the meeting.

The Chair called on Ms. Katharine Kelleman for a report of the Chief Executive Officer.

Ms. Kelleman first asked for a moment of silence for the retired employees who passed away in May: Operators William Poloka Jr. and Paul Wendt, Building Repairperson Marilyn Young, Cleaning Supervisor Betty Rose, and Shifter Patricia Daye.

Ms. Kelleman stated that the Board will vote on the 2022 budget today, but since she has already talked a lot about finances this year, she wanted to talk a little about service.

She stated that the Coronavirus pandemic greatly impacted ridership. In the month after the initial wave, ridership dropped by 90 percent on rail and 75 percent on bus. To ensure that we could continue to provide reliable service, we reduced our service on our commuter routes and added service to local routes where we observed overcrowding.

Ms. Kelleman announced that case counts are dropping locally and nationally, and three vaccines are now available. Safety precautions are easing, and we are seeing more and more people downtown. This past Sunday, we eliminated our artificial capacity limits.

Bus ridership remains down about 60 percent. Rail ridership is down 80 percent. We've brought back 70 percent of our weekday commuter routes, almost 90 percent of our weekday coverage routes, 96 percent of our local routes and 88 percent of our rapid routes. Nine bus routes have more service than before the pandemic, including the 59-Mon Valley which has almost twice as much. Across the board, we have about seven percent more service on the weekend than we did before the pandemic.

As offices begin to reopen, schools and universities return to in-person instruction, and businesses return to regular hours, we are poised for some steady growth over the next few months.

Ms. Kelleman then recognized Janel Young, a Pittsburgh artist who has been keeping busy this summer with a lot of projects across the county. Funded by a grant from Smart Growth America, Ms. Young's latest piece of art titled "RESPECT" can be found just downstairs at the Smithfield Street and Sixth Avenue bus stop, where thousands of riders will see it every day. Before concluding her report, Ms. Kelleman urged the Board to stop and see Ms. Young's work if they happen to be downtown.

That concluded the report of the Chief Executive Officer.

The Chair called on Ms. Zmijanac for a report of the Performance Oversight Committee.

Ms. Zmijanac reported that the Performance Oversight Committee met last week, and she had five resolutions for consideration.

The Committee first reviewed five procurement items and determined the bids to be in accordance with the Authority's procurement policies and procedures, the prices fair and reasonable, the bidders to be responsible and the bids responsive.

The Performance Oversight Committee recommended the award of bids listed in the resolution for the total amount of approximately \$4.1 million dollars.

On behalf of the Performance Oversight Committee, Ms. Zmijanac respectfully requested approval of the resolution. It was moved, seconded, and unanimously agreed that the resolution be approved as presented.

Ms. Zmijanac reported that in accordance with FTA regulations and other laws, the Authority maintains written Procedures for Competitive Negotiations for Professional and Technical Services that outlines the public solicitation process that the Authority follows when seeking firms to provide professional or technical services.

Staff had reviewed the procedures and recommended certain amendments such as increasing the number of staff with technical expertise that would serve on evaluation committees, clarifying the ability to accept proposals in either hard copy or electronic format and making changes to reflect current department names and position titles.

The Performance Oversight Committee recommended adopting the amended procedures to be applicable to any professional or technical services solicitations utilizing a request for proposals or request for qualifications process issued on or after July 1, 2021.

On behalf of the Performance Oversight Committee, Ms. Zmijanac respectfully requested approval of the resolution. It was moved, seconded, and unanimously agreed that the resolution be approved as presented.

Ms. Zmijanac presented the next resolution seeking authorization to enter into an agreement for property and casualty risk management services.

Ms. Zmijanac reported that the Authority requires a contractor to provide consulting services to support the Authority's Property and Casualty Risk Management Programs including the design and marketing of operational coverages, evaluation of insurance proposals, placement of insurance coverage and advising the Authority and its contractors and vendors on insurance requirements.

An RFP detailing the contract services was prepared and advertised and five proposals were received. Based on the review and evaluation, the proposal submitted by Aon Risk Services Central, Inc., was determined to be the highest-rated proposal for the performance of the contract services.

The Performance Oversight Committee recommended entering into an agreement with Aon Risk Services Central, Inc., for a total not-to-exceed amount of up to \$285,000, for the initial three-year period with the option to extend the term of the agreement an additional two years at the sole discretion of the Authority.

On behalf of the Performance Oversight Committee, Ms. Zmijanac respectfully requested approval of the resolution. It was moved, seconded, and unanimously agreed that the resolution be approved as presented.

Ms. Zmijanac presented the next resolution seeking authorization to enter into an agreement for Utility Consulting and Administrative Support Services

The Authority requires a contractor to provide these services including the monitoring of utility bills, recommendations for cost reductions of utility services, bill approval services, assisting the Authority in energy and telecommunications procurements, the construction and maintenance of an accurate and historical database of energy costs and usage, inventory of meters, and at the request of the Authority, an onsite energy audit of operating locations.

After advertisement of the RFP, two proposals were received. The proposal submitted by Eric Ryan Corporation has been determined to be the highest rated proposal for the performance of the services.

The Performance Oversight Committee recommended entering into an agreement with Eric Ryan Corporation in an amount not-to-exceed \$187,200.00, to be allocated on an as-needed basis through task specific work orders for the initial three-year period, with the option to extend the term of agreement up to an additional two years at the sole discretion of the Authority.

On behalf of the Performance Oversight Committee, Ms. Zmijanac respectfully requested approval of the resolution. It was moved, seconded, and unanimously agreed that the resolution be approved as presented.

Ms. Zmijanac presented the final resolution seeking authorization to enter into agreements with a pool of firms to provide Architectural Design Services under the categories of Transportation Passenger Facilities Design and Industrial Building Design.

Following advertisement of the RFP, six electronic proposals were received. The proposals submitted in the category of Transit Passenger Facilities Design by Michael Baker International, Inc. and Whitman, Requardt & Associates, LLP; and in the category of Industrial Building Design by Whitman, Requardt & Associates, LLP and CDM Smith, Inc., were determined to be the highest-rated proposals for the performance of the services.

The Performance Oversight Committee recommended authorizing the Authority to enter into an agreement with the firms stated above, for the identified categories, for a total not-to-exceed amount of \$8,000,000, to be allocated on an as-needed basis through task-specific work orders, for an initial four-year period with the option to extend the term of the agreements up to one additional year at the sole discretion of the Authority.

On behalf of the Performance Oversight Committee, Ms. Zmijanac respectfully requested approval of the resolution. It was moved, seconded, and unanimously agreed that the resolution be approved as presented.

That concluded the report of the Performance Oversight Committee.

The Chair called on Mr. Tague for a report of the Planning and Stakeholder Relations Committee.

Mr. Tague reported that the Planning and Stakeholder Relations Committee met last week, and he had a few updates to report.

First at the meeting Mr. Chris Watts from The Pittsburgh Downtown Partnership presented the Downtown Mobility Plan, which Port Authority was a partner in plan development. The plan proposes a framework for guiding the future of downtown's transportation network by setting goals, creating a unified vision, and setting priorities for improving the experience of downtown for all users. Mr. Watts specifically discussed one item for improvement in creating a better bus experience, which is to include amenities like improved shelters, bus priority network and infrastructure and real-time transit information.

Amy Silbermann, Director of Planning and Service Development, then proposed a next step leading from this plan's completion of a follow-up planning process called the Downtown Pittsburgh Bus Routing and Stop Location Plan. Port Authority will work with the Pittsburgh Downtown Partnership and the City of Pittsburgh's Department of Mobility and Infrastructure as partners on this project

Next the Committee received an update on the Bus Rapid Transit Project.

Mr. Tague revealed that on June 11, the FTA announced that they allocated \$250 million to 22 projects already in the Small Starts Program pipeline from the American Rescue Plan. This included \$19.3 million for the Bus Rapid Transit Project for use as a local match.

Mr. Tague concluded his report by giving the Board an update on the Allegheny County Transit Council and Committee on Accessible Transportation.

ACTC met the prior night. At the meeting, the Planning Department staff provided an overview of our First Mile Last Mile Program and Government Relations staff provided updates on funding and a variety of other topics of interest. The Council also held their annual nominations for the ACTC Board of Directors. The elections will be held later this month and the results will be announced at the July Regular Board meeting. The next meeting will be July 28 on Microsoft Teams and there is no meeting scheduled in August.

The CAT Committee did not meet this month. The next quarterly meeting will be in August.

That concluded the report of the Planning and Stakeholder Relations Committee.

The Chair called on Ms. Ogoreuc for a report of the Finance Committee.

Ms. Ogoreuc reported that the Finance Committee met on Thursday, June 17 and she had a few items to report.

Ms. Ogoreuc presented a resolution seeking authorization to approve the Title VI Report for the Planned Fare Structure change. The Committee received a presentation on the Title VI Report that is a Federal Transit Administration requirement before any fare change can be adopted by the Board of Directors. Mr. Ogoreuc stated that the Title VI Report must measure the impact of any fare change on minority and low-income populations. It was reported that the proposed FY 2022 Fare Structure changes will not have a disparate impact on minority populations or a disproportionate burden on low-income populations.

On behalf of the Finance Committee, Ms. Ogoreuc respectfully requested approval of the resolution. It was moved, seconded, and unanimously agreed that the resolution be approved as presented.

Next at the meeting, Ms. Kelleman gave a summary of the various outreach steps the Authority had taken to gather public input on the fare structure changes. This outreach included three public hearings, a question-and-answer session, and public comment via website, phone, and mail.

Ms. Kelleman also emphasized that the Fare Structure change of creating a three-hour pass at \$2.75 by eliminating the \$1 transfer charge and 25 cent stored value discount and introducing seven-day and 31-day rolling passes will be the first step in a continuing process of improving fare payment through technology, improved accessibility, and long-term partnerships.

The Technology Committee agreed to recommend adoption and implementation of the FY 2022 Fare Structure Changes.

On behalf of the Finance Committee, Ms. Ogoreuc respectfully requested approval of the resolution. It was moved, seconded, and unanimously agreed that the resolution be approved as presented.

Ms. Ogoreuc presented the next resolution seeking authorization to appoint a successor Trustee for the Consolidated Pension Plan.

Following a review of fees and services, the Consolidated Plan Trustees voted to issue a request for proposals in conjunction with the ATU Pension Plan. Six responsive and timely proposals were received by the submission deadline. A subcommittee of the Trustees met and short-listed to three firms for further evaluation. Interviews were conducted of the three finalists and the committee voted to evaluate the software platforms of two final companies.

Based on this final evaluation, the subcommittee identified U.S. Bank as the highest rated proposal. The ATU Pension Plan Trustees likewise selected U.S. Bank as the highest rated proposal.

Ms. Ogoreuc noted that the annual savings to the two Pension Plans will be approximately \$500,000.

On behalf of the Finance Committee, Ms. Ogoreuc respectfully requested approval of the resolution. It was moved, seconded, and unanimously agreed that the resolution be approved as presented.

Next Ms. Ogoreuc introduced a resolution to adopt the FY 2022 Operating and Capital Budgets. It was reported at the meeting that the final FY 2022 Operating Budget totaled \$494,355,837 which was a nominal increase of \$117,388 from the budget presented in May. The addition of three ATU positions in concert with a slight increase in Purchased Services attributed to the change.

Ms. Ogoreuc reported that the final proposed FY 2022 Capital Budget was unchanged from the preliminary budget presented at the May Finance Committee and totaled \$227,866,872.

The Finance Committee agreed to recommend adopting the balanced FY 2022 Operating and Capital Budgets as required by law.

On behalf of the Finance Committee, Ms. Ogoreuc respectfully requested approval of the resolution. It was moved, seconded, and unanimously agreed that the resolution be approved as presented.

Ms. Ogoreuc presented the final resolution seeking authorization to adopt the Collective Bargaining Agreement with the International Brotherhood of Electrical Workers (IBEW), Local 29. The current labor agreement expired April 30, 2021, and the proposed two-year agreement includes a wage increase of 2.75 percent for each year of the two-year agreement and minimum cost benefit changes.

Ms. Ogoreuc noted that the agreement has no changes to healthcare, the closed pension plan or defined contribution plan.

On behalf of the Finance Committee, Ms. Ogoreuc respectfully requested approval of the resolution. It was moved, seconded, and unanimously agreed that the resolution be approved as presented.

Next, Ms. Ogoreuc reported on the May 2021 Financial Statements. She reported that Total Operating Income for the month of May was \$4.9 million under budget. Through May, Total Operating Income is \$59.7 million below budget. Every Operating Income category except Other Income was below budget for the month. Lower Passenger Revenues and ACCESS Program Service Revenues constitute most of this shortfall due to the pandemic.

Total Expenses for the month of May were \$5.3 million under budget. The Authority's Total Expenses are \$41 million under budget for the fiscal year with every expense category except Salary and Wages below budget. Mr. Schenk reported that if these trends continue, the Authority wouldn't have to use any Deferred Revenues for operating purposes.

Total Subsidy for the fiscal year is \$3.3 million above budget due to CARES Act receipts that have offset lower Passenger Revenue. Through May, the Authority has a \$5.6 million deficit that will be eliminated with CARES funding.

Ms. Ogoreuc concluded her report by stating that the Authority ended May with approximately \$142.6 million in Operating Reserves.

That concluded the report of the Finance Committee.

The Chair called on Ms. Liptak for a report of the Technology Committee.

Ms. Liptak reported that the Technology Committee met on Thursday, June 17, and she had three resolutions for the Board's consideration.

The first resolution was seeking authorization to enter into an agreement with Scheidt & Bachmann, USA, Inc. for FY 2022 Fare Structure Changes Software Updates

Ms. Liptak explained that as necessary to activate the fare structure changes approved earlier today by the Board, this agreement would include all required system updates to the various hardware and software components of the ConnectCard Fare Collection System, including the ticket vending machines, sales outlet terminals, validators, back-office hub, and various web services.

The contract also requires extensive testing to ensure that parallel systems are utilized to verify changes prior to activation.

Ms. Liptak noted that Scheidt & Bachmann is the sole owner, provider and servicer of this integrated hardware, software, and related systems.

The Technology Committee recommends authorizing the Authority to enter into an agreement with Scheidt & Bachmann at a total not-to-exceed amount of \$237,600.

On behalf of the Technology Committee, Ms. Liptak respectfully requested approval of the resolution. It was moved, seconded, and unanimously agreed that the resolution be approved as presented.

The second resolution seeks authorization to enter into an agreement with GIRO, Inc. for Software and Maintenance Support Services. GIRO's HASTUS software is utilized across Customer Service and Operations divisions and will soon also be utilized by the Maintenance divisions of the Authority.

The agreement includes software maintenance for all current modules along with 40 days for customizations and training.

Ms. Liptak noted that GIRO, Inc. is the sole owner, provider, and servicer of this software.

The Technology Committee recommended entering into a three-year agreement with Giro, Inc. at a total not-to-exceed amount of \$1,422,081.

On behalf of the Technology Committee, Ms. Liptak respectfully requested approval of the resolution. It was moved, seconded, and unanimously agreed that the resolution be approved as presented.

Ms. Liptak presented the final resolution seeking authorization to enter into an agreement with Clever Devices for CleverWare Upgrade and Masabi Integration Services.

Clever Devices are installed on all bus and rail vehicles and serve as the hub for Intelligent Transportation Systems. The proposal provides upgrade services for the bus fleet to the current version of the CleverWare software. The physical hardware on buses has been replaced over the past year to be able to support this software update. The rail vehicles are already running the current version, so this update brings the entire fleet onto the same level of the platform, which provides benefits for the upcoming detour/disruption management implementation. The proposal also includes licensing and configuration for integration with the Masabi Mobile Ticketing Services.

Ms. Liptak noted that Clever Devices is the sole owner, provider and servicer of this hardware and software.

The Technology Committee recommends entering into a two-year agreement with Clever Devices for the services at a total not-to-exceed amount of \$133,318.

On behalf of the Technology Committee, Ms. Liptak respectfully requested approval of the resolution. It was moved, seconded, and unanimously agreed that the resolution be approved as presented.

That concluded the report of the Technology Committee.

Under new business, Mr. Tague announced that there will be a Juneteenth Parade on Saturday, June 26, 2021. Port Authority will have a bus in the parade and staff is meeting at 10 a.m. at Freedom Corner, located at the corner of Centre Avenue and Crawford Street.

The Chair announced the next Regular meeting of the Board will be Friday, July 23, 2021.

With no further business the meeting was adjourned.